

October 13, 2017

VIA FED EXPRESS AND E-MAIL

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

RECEIVED

OCT 16 2017

HEALTH FACILITIES &
SERVICES REVIEW BOARD

16-021

Re: Annual Progress Report for Project No. ~~06-021~~ – Silver Cross Ambulatory Surgery Center

Dear Mr. Constantino:

On September 13, 2016, the Illinois Health Facilities & Services Review Board (the "Board") approved our application for permit (the "Application") to establish a multi-specialty ambulatory surgical treatment center (the "Surgery Center") in New Lenox, Illinois (the "Project"). Pursuant to 77 Ill. Adm. Code 1130.760, we are hereby submitting our annual progress report for the Project.

1. CURRENT STATUS OF PROJECT

No changes have been made to the scope or size of the Project. Construction has been completed. On October 10, 2017, the Illinois Department of Public Health ("IDPH") conducted the life safety code survey for the Surgery Center. We were verbally informed by the life safety code surveyors that the Surgery Center passed its life safety code survey.

2. COSTS INCURRED TO DATE

We have spent \$9,727,136 on the Project (as of August 31, 2017). See Exhibit A.

3. THE METHOD OF FINANCING THE PROJECT AND SOURCES OF FUNDS

The method of financing and sources of funds for the Project have not changed since the filing of the Application. More specifically, the Project has been funded through the use of cash.

4. THE MOST RECENT APPLICATION AND CERTIFICATION FOR PAYMENT FOR THE CONSTRUCTION CONTRACT, AS PER FORM G702 (AIA) OR EQUIVALENT

The most recent applications and certifications for payments related to the construction contracts associated with the Project (G702 form) are attached hereto as Exhibit B.

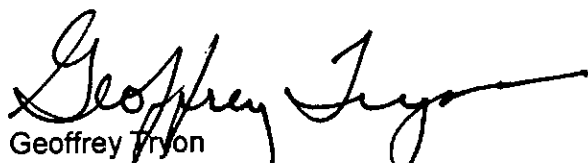
5. THE ANTICIPATED DATE OF COMPLETION

Completion of the Project should happen as soon as IDPH conducts a final licensure survey for the Surgery Center and issues a license for the Surgery Center. That should presumably happen in the next few weeks.

Mr. Michael Constantino
October 13, 2017
Page 2

Please contact me directly at (815) 300-7112 if you have any questions or need any additional information.

Sincerely,



Geoffrey Trion
Vice President, Operations

Attachments

cc: Edward J. Green, Foley & Lardner, LLP
Ruth Colby, Silver Cross Hospital
Mariel Yekich, Silver Cross Hospital

EXHIBIT A
ANNUAL REPORT 10/13/2017
PROJECT NO. 16-021
SILVER CROSS AMBULATORY SURGERY CENTER

Preplanning Costs			
Site Survey and Soil Investigation	\$10,000.00	\$10,000.00	
Site Preparation	\$1,200,000.00	\$1,162,004.00	
Off Site Work	\$ 0.00	\$0.00	
New Construction Contracts	\$5,553,449.00	\$5,640,934.00	
Modernization Contracts	\$0.00	\$0.00	
Contingencies	\$555,344.00	\$0.00	
Architectural / Engineering Fees	\$547,521.00	\$333,033.00	
Consulting and Other Fees	\$383,022.00	\$335,007.00	
Moveable or Other Equipment	\$2,842,090.00	\$2,246,158.00	
Fair Market Value of Leased Equipment	\$0.00	\$0.00	
Bond Issuance Expense	\$0.00	\$0.00	
Net Interest Expense During Construction	\$0.00	\$0.00	
Fair Market Value of Leased Space	\$0.00	\$0.00	
Other Costs to be Capitalized	\$0.00	\$0.00	
Acquisition of Building or Other Property (excl land)	\$0.00	\$0.00	
ESTIMATED TOTAL PROJECT COST	\$11,091,426.00	\$9,727,136.00	

* Please note that the final invoices for the Project are still being reviewed and processed, so the amounts listed in Exhibit A remain subject to change. That said, our "total project costs" should be reasonably close to the amounts currently listed in the "obligated to date" column.

EXHIBIT B
ANNUAL REPORT 10/13/2017
PROJECT NO. 16-021
SILVER CROSS AMBULATORY SURGERY CENTER

APPLICATION AND CERTIFICATION FOR PAYMENT

To Owner:
 Silver Cross Hospital
 1900 Silver Cross Blvd
 New Lenox, IL 60453

From Contractor:
 Reed Construction
 600 W. Jackson, 8th Floor
 Chicago, Illinois 60661

RE:
 Silver Cross Hospital
 Outpatient Surgery Center
 1003 Pawlask Parkway
 New Lenox, IL 60453

ARCHITECT:
 The Ruffell Group, PC
 300 Camelot Park Circle, St 111
 Birmingham, AL 35242

CONTRACT FOR: Outpatient Surgery Ctr Renovation

AIA DOCUMENT G702

APPLICATION # 8
 PERIOD TO: 08/31/17
 PROJECT #: 69022
 CONTRACT DATE: 11/28/16
 PURCHASE ORDER: 0029701

Distribution to:
☒ OWNER
☒ ARCHITECT
☒ CONTRACTOR

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
 Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	6,455,662
2. Net change by Change Order	71,580
3. CONTRACT SUM TO DATE (Line 1 + Line 2)	6,527,242
4. TOTAL COMPLETED & STORED TO DATE	6,533,242
5. RETAINAGE:	
a. 10 % of Completed Work	653,324
b. (Column D + E on G703)	-
(Column F on G703)	653,324
Total Retainage	653,324
6. TOTAL EARNED LESS RETAINAGE	5,883,918
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificates)	5,702,702
8. CURRENT PAYMENT DUE	179,015
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	653,324

EXCHANGE ORDER SUMMARY	ADDITIONS	REDUCTIONS
Total changes approved in previous months by Owner	541,706	(694,150)
Total approved this month	110,444	(85,412)
NET CHANGES by Change Orders	652,150	(563,570)

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were based and payments received from the Owner, and that correct payments shown herein to now date.

CONTRACTOR'S CERTIFICATE FOR PAYMENT

By: *[Signature]*
 Notary Public:
 My Commission expires August 31, 2017
 ARCHITECT'S CERTIFICATE FOR PAYMENT
 In accordance with the Contract Documents, based on on-site observations and the data considering the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, based on on-site observations and of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED: \$ 179,015.00

(Attach explanation if amount certified differs from the amount applied. Initial all figures on Application and on the Continuation Sheet then are changed to conform to the amount certified)

ARCHITECT: *[Signature]*
 By: *[Signature]*
 Date: 10/16/17

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Insurance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 K STREET, N.W., WASHINGTON, DC 20004-6048